

California Tahoe Conservancy  
Agenda Item 12  
September 15, 2011

**UPPER TRUCKEE RIVER SUNSET STABLES REACH RESTORATION PROJECT**

**Summary:** Staff recommends adoption of the proposed Negative Declaration for the Upper Truckee River Sunset Stables Reach Restoration Project and authorization for staff to enter into a license agreement with the USDA Forest Service, Lake Tahoe Basin Management Unit (LTBMU) for construction of the Reach 5 portion of the project on Conservancy land.

**Location:** The property is located in El Dorado County near the Lake Tahoe Airport adjacent to U.S. Highway 50 and Elks Club Drive (Attachment 1).

**Fiscal Summary:** Minor administrative costs and time within existing budget.

**Recommended Action:** Adopt Resolution 11-09-06 (Attachment 3).

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**Background**

The Conservancy Board authorized acquisition of the 189-acre Sunset Stables property in 1999. This property is adjacent to 65 acres of LTBMU lands and these properties together comprise the entirety of the Upper Truckee River Sunset Stables Restoration Project, which is divided into Reach Five, primarily on LTBMU land and Reach Six on Conservancy property.

A partnership between the two agencies was formed to jointly plan and implement restoration of both reaches to take advantage of planning work completed by the Conservancy, which covered both of the adjacent ownerships and to efficiently implement the project. Further, the LTBMU possesses in-house technical expertise that complements Conservancy staff capacities. Similar needs for restoration of both reaches and the surrounding lands resulted in identification of a single project area boundary, which encompasses both Conservancy and LTBMU properties. Integrating these efforts into a single project area will maximize environmental benefits and cost efficiencies.

The Sunset Stables Restoration Project has multiple objectives, including:

- Restoring natural function to the floodplain and river channel by reducing stream bank erosion and increasing floodplain connectivity
- Improving water quality by decreasing fine sediments and nutrient contributions to Lake Tahoe
- Enhancing and restoring vegetative communities and wildlife habitat
- Improving fisheries habitat by enhancing riparian and aquatic habitat in the river
- Maintain appropriate and compatible existing public access and recreational opportunities.

### **Project Description**

The Conservancy and the LTBMU propose to restore a portion of the Upper Truckee River near the City of South Lake Tahoe airport by constructing approximately 12,000 feet of new river channel on State and Federal lands. The proposed project activities would result in a geomorphically stable channel more consistent with the current flow and sediment transport needs of the river. The streambanks would be stabilized with riparian vegetation, sod blocks, large wood, and/or rock placement. Changes to the river channel and bank elevations would improve river function by allowing water to enter the floodplain at lower flows, and by raising seasonal groundwater levels. Increasing seasonal groundwater levels are expected to improve the habitat quality of the wet meadow.

During the first year of construction, the infrastructure would be built to support project construction, including staging and materials storage areas, access and haul roads, and temporary river crossings. Next, new channel excavation would begin, including modifying the meadow to reconnect old overflow channels with the new channel as appropriate. The new channel construction is expected to require two construction seasons. The banks of the new channel and bordering meadow would then be re-vegetated with vegetation harvested from nearby sources (e.g., sod blocks and willows), and irrigation systems would be installed and operated where necessary to assist in re-vegetation plant establishment. The new channel would be allowed to season during the third construction season allowing the vegetation to become well established. Once adequate re-vegetation success has been achieved, most likely during the fourth year after initial project construction, the new channel would be connected to the existing river at defined tie-in points.

Finally, the old abandoned channel would be filled with stored soil material, imported material and/or material used for access and haul roads as they are removed and the

material becomes available. Access and haul roads and river crossings would be removed and storage and staging areas would be re-contoured and re-vegetated prior to demobilizing the site.

A license agreement is required to allow the LTBMU to construct a portion of the Reach 5 project on Conservancy lands. The license agreement will provide LTBMU access to Conservancy lands for the purpose of constructing temporary roads to transport material, construct new channel segments, stage equipment, collect plant materials, and temporarily stockpile excavated soil (Attachment 2). The soil stockpile area will require an open and level area approximately two and one-half acres in size. This area will be covered with compacted aggregate base material to facilitate stockpile operations. The stockpile area will be located near the former Sunset Stables base facilities adjacent to the U.S. Highway 50 side of the property. After completion of all construction activities the aggregate base material will be removed and the stockpile area will be restored.

### **Project Budget**

The implementation of Reach 5 is occurring first because the LTBMU has received \$5.51 million in funding through the Southern Nevada Public Land Management Act (SNPLMA), which is sufficient for completion of planning, final design and construction.

The current estimate for the final design and construction of Reach 6 is \$4.05 million. At this time \$1.51 million is expected to support the completion of Reach 6 final designs and construction: \$510,000 in Tahoe Keys Mitigation funds and federal reimbursements from the Conservancy, and \$1 million in SNPLMA funding pending approval by the U.S. Secretary of the Interior. The Conservancy and LTBMU are seeking grants and other funding opportunities to secure the remaining \$2.5 million needed for implementation of Reach 6. Applications for this additional funding will be submitted over the next year.

Funding details for each reach and previous funding provided are included below.

<b><u>Previous Funding</u></b>	
California Tahoe Conservancy Property Acquisition	\$2,500,000
California Tahoe Conservancy Planning Costs	\$2,480,000
LTBMU Planning	<u>\$ 450,000</u>
<b>Total Previous Funding</b>	<b>\$5,430,000</b>

### **LTBMU Implementation Budget for Reach 5**

Final Design and Permits	\$600,000
Construction	<u>\$4,500,000</u>
<b>Total</b>	<b>\$5,100,000</b>

### **Estimated Implementation Budget for Reach 6**

Final Design and Permits	\$ 550,000
Construction	<u>\$3,500,000</u>
<b>Total</b>	<b>\$4,050,000</b>

### **Project Implementation**

The Proposed Project would be implemented in two phases due to funding availability: Reach 5 (LTBMU and Conservancy lands) is anticipated to be implemented first beginning in 2013, followed by the implementation of Reach 6 (Conservancy land), projected to begin in 2015. Each phase would take approximately three to five years to complete in order to allow sufficient time for the new river channel to stabilize, and revegetation of disturbed areas to become fully established prior to the introduction of river flows. As currently planned, the Sunset Stables Restoration Project would occur over four to eight years, depending on funding availability and the permitting schedule.

Once all funds for Reach 6 implementation are obtained, Staff will seek separate authorization from the Board to proceed to final design and construction. After Board Authorization the staff will work with Department of General Services (DGS) to secure California State Public Works Board approval to implement the Reach 6 portion of the project prior to proceeding to final design and construction. The Conservancy and LTBMU are currently considering the LTBMU to lead implementation of the Reach 6 portion of the project. A final determination regarding Reach 6 implementation will be made and if found to be practical and appropriate the matter will be brought to the Board for consideration and possible authorization.

### **Project Evaluation**

Implementation of the Sunset Stables Restoration Project meets the criteria and objectives of the Conservancy's Wildlife Habitat Enhancement and Stream Environment Zone (SEZ) Restoration programs. The Project will improve water quality and habitat conditions in the project vicinity. The Upper Truckee River Watershed is the largest contributor of sediment into Lake Tahoe. According to historic Washoe accounts, the

Upper Truckee River was the most productive fishery in the Tahoe Basin. Currently, fish habitat is severely degraded due to historic land uses and adjacent development. Terrestrial habitat also has been impaired as an indirect result of channel alterations. Implementation of this project is a high priority for the Lake Tahoe Environmental Improvement Program (EIP Project # 948), in contributing to the attainment of the Lake Tahoe Total Maximum Daily Load objectives set by the Lahontan Regional Water Quality Control Board, and in achieving SEZ restoration and wildlife habitat environmental thresholds identified by the Tahoe Regional Planning Agency.

The Sunset Stables Restoration Project will build upon other nearby restoration projects and will use cost effective techniques that minimize negative impacts on the environment. Implementation of the Project represents one of the final projects needed for a comprehensive watershed restoration of the Upper Truckee River watershed. Implementation of the Project will use proven cost effective techniques, and incorporate design elements and mitigations to ensure construction related disturbances are minimized.

### **Consistency with the Conservancy's Enabling Legislation**

The recommended action is consistent with the Conservancy's enabling legislation. Under Government Code section 66908 the Conservancy is authorized to receive reimbursement and other funds from public agencies. Under Government Code section 66907.10, the Conservancy is authorized to improve and develop acquired lands for a variety of purposes, including protection of the natural environment, provision of public access or recreational facilities, preservation of wildlife habitat areas, or providing access to or management of acquired lands. Under Government Code section 66907.9, the Conservancy is authorized to initiate, negotiate, and participate in agreements for the management of land under its ownership and control with local public agencies, State agencies, Federal agencies, nonprofit organizations, individuals, corporate entities or partnerships. Finally, under Government Code section 66906.8, the Conservancy is authorized to select and hire private consultants or contractors as necessary to achieve these purposes.

### **Compliance with the California Environmental Quality Act (CEQA)**

The Conservancy, acting as the Lead Agency, prepared an Initial Study and Negative Declaration (IS/ND) for this project to comply with CEQA (Attachment 4). Copies of the IS/ND are retained, with the record of proceedings upon which the Board's decision on this matter is based, at the Conservancy office, 1061 Third Street, South Lake Tahoe, CA 96150.

The IS/ND and a Notice of Intent to Adopt a Negative Declaration (NOI), were submitted to the State Clearinghouse (Number 2006112070) on April 22, 2011. The Clearinghouse circulated these documents to responsible agencies for a review period ending on May 23, 2011. The Conservancy also publicly circulated the NOI for the project, announcing the public review period for the IS/ND (April 22, 2011 – May 23, 2011) and providing information regarding where the documents could be reviewed. This NOI was mailed to organizations and individuals who participated in earlier planning public processes, to agencies and organizations that could be affected by the project, and the NOI was published in the *Tahoe Daily Tribune* newspaper on April 22, 2011.

Staff considered, responded to, and in some cases, incorporated revisions in response to public comments received regarding the project. Overall, staff believes that the IS/ND adequately analyzes project construction and design features to avoid significant effects on the environment.

Staff recommends that the Board review the IS/ND, together with the comments received during the public review process, and make the findings as set forth in the attached resolution. If the Board adopts the IS/ND and authorizes the project, staff will file a NOD with the State Clearinghouse pursuant to California CEQA Guidelines (Cal. Code Regs., title 14, § 15000 et seq.), section 15075. Attachment 5 contains the Conservancy's proposed NOD.

#### **List of Attachments:**

Attachment 1 – Project Location Map

Attachment 2 – Project Access, Storage and Dewatering

Attachment 3 – Resolution 11-09-06

Attachment 4 – Negative Declaration (on CD)

Attachment 5 – Notice of Determination

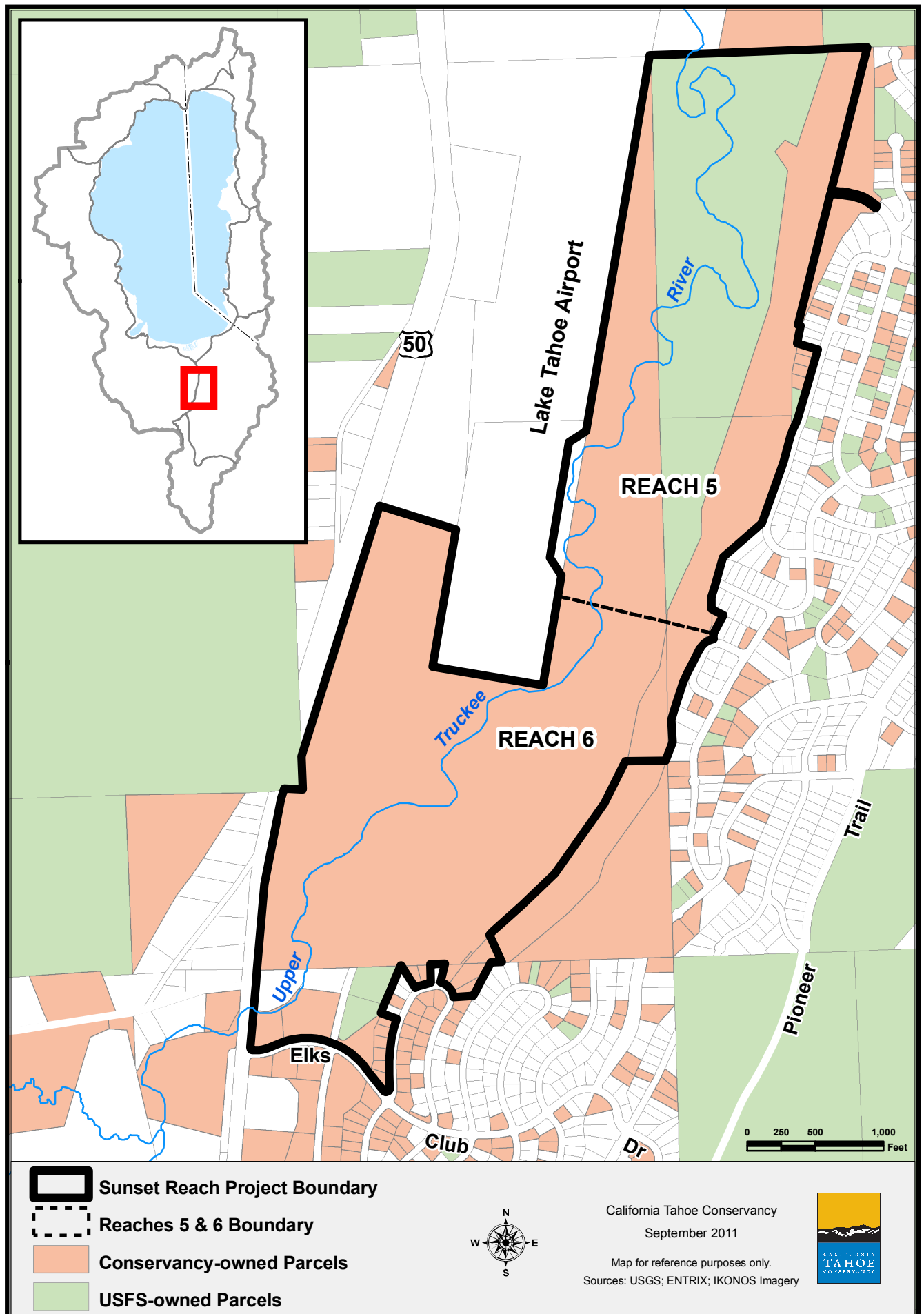
#### **Conservancy Staff Contact:**

Joe Pepi

Phone: (530) 543-6066

Email: [jpepi@tahoe.ca.gov](mailto:jpepi@tahoe.ca.gov)

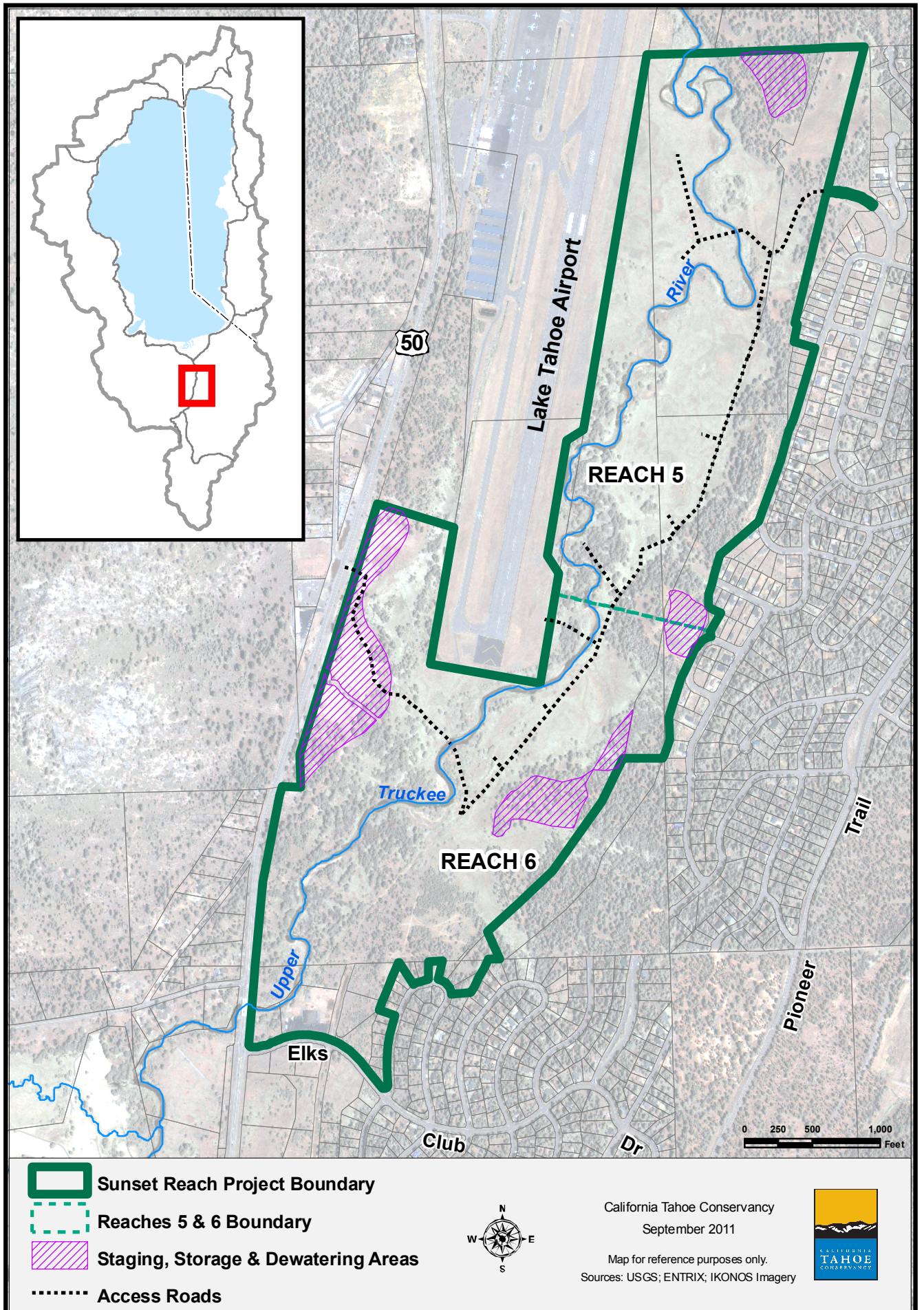
**ATTACHMENT 1**  
**Project Location Map**





# ATTACHMENT 2

## Project Access, Storage & Dewatering





### **ATTACHMENT 3**

California Tahoe Conservancy

Resolution

11-09-06

Adopted: September 15, 2011

#### **UPPER TRUCKEE RIVER SUNSET STABLES REACH RESTORATION PROJECT**

Staff recommends that the California Tahoe Conservancy (Conservancy) adopt the following finding based on the accompanying staff report, and pursuant to Public Resources Code section 21000 et seq.:

"The Conservancy, in its capacity as the lead agency, independently prepared the Initial Study and Negative Declaration and Response to Comments, for the Upper Truckee River Sunset Stables Reach Restoration Project. The Conservancy finds on the basis of the whole record before it that there is no substantial evidence that the Project will have a significant effect on the environment and that the Negative Declaration reflects the Conservancy's independent judgment and analysis. The California Department of General Services, Environmental Services Section, holds the documents and other material that make up the Project Record. The Conservancy hereby adopts the Negative Declaration and directs staff to file a Notice of Determination with the State Clearinghouse for this project."

Staff further recommends that the Conservancy adopt the following resolution, pursuant to Government Code section 66907:

"The Conservancy hereby authorizes staff to grant a license to the U.S. Forest Service, Lake Tahoe Basin Management Unit for access to Conservancy land and take all other necessary action, as described in the accompanying staff report, to implement the Reach 5 portion of the Upper Truckee River Sunset Stables Reach Restoration Project."

I hereby certify that the foregoing is a true and correct copy of the resolution duly and regularly adopted by the Conservancy at a meeting thereof held on the 15th day of September 2011.

In WITNESS THEREOF, I have hereunto set my hand this 15th day of September 2011.

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Patrick Wright  
Executive Officer

## **ATTACHMENT 4**

### **UPPER TRUCKEE RIVER SUNSET STABLES REACH RESTORATION PROJECT**

Final Initial Study  
Negative Declaration

On CD

## ATTACHMENT 5

### NOTICE OF DETERMINATION

TO: Office of Planning and Research  
1400 10<sup>th</sup> Street, Room 121  
Sacramento, CA 95814

FROM: California Tahoe Conservancy  
1061 Third Street  
South Lake Tahoe, CA 96150

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***Subject:***

Filing of Notice of Determination in compliance with Sections 21108 and 21152 of the Public Resources Code.

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***Project Title:***

Upper Truckee River Sunset Stables Reach Restoration Project

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***State Clearinghouse Number:***  
2011042069

***Contact Person:***  
Joe Pepi

***Telephone Number:***  
(530) 543-6066

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***Project Location:***

The project is located along the Upper Truckee River, approximately four miles south of Lake Tahoe.

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***Project Description:***

The project proposes to restore the Sunset Stables reach of the Upper Truckee River by constructing approximately 12,000 feet of new river channel. The proposed project would result in a geomorphically stable channel more consistent with the current flow and sediment transport needs of the river. The streambanks would be stabilized with riparian vegetation, sod blocks, large wood, and/or rock placement.

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This is to advise that the California Tahoe Conservancy Board has approved the above described project on September 15, 2011 and has made the following determinations regarding the above described project:

1. The project will not have a significant effect on the environment.
2. A Negative Declaration was adopted for this project pursuant to the provisions of CEQA.
3. The Conservancy finds that no substantial changes are proposed in the project, and no substantial changes have occurred with respect to the circumstances under which the project is taken that would affect any potentially significant environmental effects.

Fish and Game Fees: A California Department of Fish and Game Environmental Filing Fee was paid for this project. A copy of the receipt will be filed with this notice.

***Date Received for Filing:***

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Patrick Wright  
Executive Director  
California Tahoe Conservancy